

(JPEG) format; wherein further the identifying check information comprises reading, via a magnetic ink character recognition (MICR) system, a routing number, the bank account, and a check number; wherein the check object that includes the routing number, the account number, the check number, and an e-check identification number; wherein further the e-check identification number is to distinguish the e-check from other e-checks.

REMARKS

Claims 1-29 and 31 are pending and stand rejected. Claims 1-29 and 31 stand rejected under 35 USC § 103(a) as being unpatentable over Jones et al. U.S. Pat. 7,349,566 (hereinafter “Jones”) in view of Park et al. U.S. Pat. App. Pub. 2003/0225705 (hereinafter “Park”).

Claim rejections under 35 USC § 103(a)

The Office action rejected claims 1-29 and 31 under 35 USC § 103(a) as being unpatentable over Jones in view of Park. The Office Action states “Jones does not explicitly disclose generating a negotiable instrument, wherein the negotiable instrument comprises a check object based upon the image, the amount, and the check information, wherein the check object includes the image. However, Park discloses generating a negotiable instrument, wherein the negotiable instruments comprises a check object based upon the image, the amount, and the check information, wherein the check object includes the image (see abstract, also paras 0015).” (p. 2, last line, through p. 3, line 6). However, contrary to this assertion, Applicants respectfully argue that the combination of Jones and Park does not teach or suggest “generating an e-check”, wherein generating the e-check includes generating a negotiable instrument that comprises a check object based upon the image and includes the image.

To establish a prima facie case of obviousness, the modification or combination

must teach or suggest all of Applicants' claim limitations.¹ The key to supporting any rejection under 35 USC § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious.² Additionally, all words in a claim must be considered in judging the patentability of the claim against the prior art.³

Applicants respectfully argue that the combination of Jones in view of Park fails to establish a prima facie case of obviousness for claims 1-29 and 31 because the combination fails to teach or suggest all of Applicants' claim limitations. In particular, with regard to claim 1, the combination fails to teach or suggest “**generating an e-check**”, which includes “generating a negotiable instrument, wherein the negotiable instrument comprises a check object based upon the image, the amount, and the check information, wherein further the check object includes the image”. Applicants respectfully submit that Examiner is not correctly interpreting “check object” based upon all of the words in the claim, specifically with regard to the phrase “generating an **e-check**” in the claim.

Embodiments of Applicants create a negotiable instrument which comprises a “check object” or “**e-check**”, which includes an image of the check and binary data of the check information ([0020] (para. number as-published, 20050131820)). Having an e-check, which is **stored electronically** (based on the binary data and the check image) may allow a merchant to substitute the e-check for the paper check as the negotiable instrument (see [0021]). For example, one embodiment described by Applicants demonstrate that the “check image 220 may include an image in a standard **digital format**”, such as the image comprising a J-PEG or TIFF image of the check ([0028]). Applicants also teach that “E-check 200 may include a digital file”. Applicants further teach how “the check is scanned and a check object (e-check) is created **electronically** at the POS terminal” ([0043]).

¹ *In re Royka*, 490 F.2d 981, 985, 180 USPQ 580, 583 (CCPA 1974).

² Manual of Patent Examining Procedure §2142; *KSR International Co. v. Teleflex Inc.*, 550 U.S. ___, ___, 82 USPQ2d 1385, 1396 (2007).

³ *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

Applicants respectfully argue that an e-check negotiable instrument, which is in a digital form and stored electronically, differs considerably from the type of **paper** check generated by Park. Park specifically provides that “A first aspect of the present invention is to provide a system for printing a negotiable instrument ...” (Park, [0009]). In other words, Applicants respectfully argue that Park simply teaches “... **printing** and presenting checks, which are resistant to forgery or fraud” (Park, [0009]), which relate to **paper checks** that are printed. Further support of this argument is found in numerous other parts of the Park specification: “a method of printing a negotiable instrument” (Park, [0015]); “a secure check printing and payment verification system” (Park, [0040]); “each payment system ... prints secure negotiable instruments” (Park, [0042]); “to issue a check payment by printing a secure negotiable instrument” (Park, [0044]); “The secure negotiable instrument 32a that is printed by the check printer” (Park, [0045]); “the payment module 16a to print a sequence of one or more secure negotiable instruments” (Park, [0066]). Applicants respectfully argue that paper checks are not “e-checks”.

Further, applicants submit that the inclusion of Park in the combination actually teaches away from creating a negotiable instrument that is the form of an e-check. What a reference teaches and whether it teaches toward or away from the claimed invention are questions of fact.⁴ A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by applicant.⁵ Applicants argue that creating a paper check, as taught by Park, certainly teaches away from creating an e-check negotiable instrument, which is in digital form. In other words, creating paper checks as taught by Parks is substantially different from creating e-checks in a digital or electronic format.

Applicants believe that the previously submitted versions of claims 1-29 and 31

⁴ *In re Bell*, 991 F.2d 781, 784, 26 U.S.P.Q.2d (BNA) 1529, 1531 (Fed. Cir. 1993).

⁵ *In re Kahn*, 441 F.3d 977, 990, 78 U.S.P.Q.2d 1329 (Fed. Cir. 2006) (quoting *In re Gurley*, 27 F.3d 551, 553, 31 U.S.P.Q.2d 1130 (Fed. Cir. 1994)).

are patentable over the combination of Jones and Park. However, to expeditiously prosecute the application and clearly demarcate the differences between the embodiments of Applicants and the teachings and suggestions of Jones and Park, Applicants are amending independent claims 1, 9, 17, and 23. In amending the claims, Applicants are not conceding that the subject matter encompassed by the claims prior to this Amendment is unpatentable over Jones and Park, as well as other prior art previously cited by Examiner. Applicants respectfully reserve the right to pursue the claims in one or more continuing applications, including claims capturing the subject matter encompassed by the previous versions of claims 1, 9, 17, and 23, as well as other additional claims.

In light of the above discussion, Applicants again respectfully argue that neither Park nor the combination of Jones and Park disclose all of the elements of claims 1, 9, 17, and 23, especially as currently amended. For example, the combination of Jones and Park does not teach “wherein further the e-check is in an electronic format capable of being transferred electronically”. Further, Applicants also respectfully argue that creating a paper check, as taught by Park, leads a person in a direction divergent from the path that was taken by Applicants, specifically creating an e-check negotiable instrument which is not in paper form. Accordingly, Applicants respectfully traverse rejections of obviousness in regard to independent claims 1, 9, 17, and 23 and request that the claims be allowed.

In regard to claims 2-29 and 31, claims 2-29 and 31 depend from independent claim 1, 9, 17, and 23. If an independent claim is nonobvious under 35 USC § 103, then any claim depending therefrom is nonobvious.⁶ As noted above, Applicants respectfully maintain that independent claims 1, 9, 17, and 23 are not obvious and that the rejections are traversed. Because the rejections of claims 2-29 and 31 are predicated upon the obviousness of claims 1, 9, 17, and 23, Applicants respectfully traverse the rejections of dependent claims 2-29 and 31 and request that the claims be allowed.

⁶ *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

CONCLUSION

Applicants have argued why the combination of Jones and Park does not teach all of the claim limitations of Applicants. To expedite prosecution, however, Applicants have also amended independent claims 1, 9, 17, and 23 to clearly differentiate the claimed subject matter from the teachings and suggestions of Jones and Park. Consequently, Applicants believe they have fully responded to the arguments made by the Examiner. Applicants believe that the pending claims are in condition for allowance. Thus, Applicants request that the pending claims be allowed and that the application advance toward issuance. If the Examiner has any questions, comments, or suggestions, the undersigned attorney would welcome and encourage a telephone conference at (281) 402-3912.

No fees are believed due with this filing. However, if any fee is determined to be required, the Office is authorized to charge Deposit Account 09-0447 for any such required fee.

Respectfully submitted,

05/18/10

Date

/Garland D. Charpiot, Reg. #62698/

Garland D Charpiot, Reg. no. 62698, Cust. No.: 45557
Schubert & Osterrieder PLLC
100 Congress Ave, Suite 2000
Austin, Texas 78701
512.692.7297 (tel) 512.301.7301 (fax)
garland.charpiot@sonlaw.com,
<http://www.sonlaw.com>
Attorney for Applicant(s)